

APPENDIX HOSTING

TABLE OF CONTENTS

1. INTRODUCTION..... 3

2. DEFINITIONS..... 4

3. RESPONSIBILITIES OF THE PARTIES..... 6

4. DESCRIPTION OF BILLING SERVICES..... 6

5. BASIS OF COMPENSATION..... 8

6. TERM OF AGREEMENT..... 8

7. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS..... 8

APPENDIX HOSTING

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions under which the Hosting Company will perform hosting responsibilities for a CLEC for data received from such CLECs for distribution to the appropriate billing and/or processing location or for data received from other Local Exchange Carriers/CLECs to be distributed to such CLEC via the Hosting company's in-region network or via the nationwide Centralized Message Distribution System (**CMDS**).
- 1.2 This Appendix sets forth the terms for the provision of 1) Message Distribution Services; 2) Intercompany Revenue Settlement Services; and (**SBC MIDWEST REGION 5-STATE** only) 3) In-Region Non-Intercompany Revenue Settlement Services ("Agreement").
 - 1.2.1 Hosting out of region is only available to a CLEC that is a Full Status Revenue Accounting Office (**RAO**) company.
- 1.3 **SBC SNET** - The hosting function described herein is facilitated via the LEC-LINK agreement if the CLEC chooses **SBC SNET** as its CMDS HOST. The LEC-LINK service is de-regulated in **SBC SNET**.
 - 1.3.1 CLECs interested in CMDS Hosting by **SBC SNET** may contact:
SBC SNET Diversified Group, Inc.
530 Preston Ave.
Meriden, CT 06450
Ls5275@ctmail.snet.com
203-634-6370
- 1.4 **SBC Communications Inc. (SBC)** means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin.
- 1.5 **SBC-2STATE** - As used herein, **SBC-2STATE** means **SBC CALIFORNIA** and **SBC NEVADA**, the applicable SBC-owned ILEC(s) doing business in California and Nevada.
- 1.6 **SBC-4STATE** - As used herein, **SBC-4STATE** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, and SBC Oklahoma the applicable SBC-owned ILEC(s) doing business in Arkansas, Kansas, Missouri and Oklahoma.
- 1.7 **SBC-7STATE** - As used herein, **SBC-7STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC CALIFORNIA** and **SBC NEVADA**, the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.8 **SBC-8STATE** - As used herein, **SBC-8STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC CALIFORNIA**, **SBC NEVADA**, and **SBC SNET** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.9 **SBC-10STATE** - As used herein, **SBC-10STATE** means **SBC SOUTHWEST REGION 5-STATE** and **SBC MIDWEST REGION 5-STATE** an the applicable SBC-owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.10 **SBC-12STATE** - As used herein, **SBC-12STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC MIDWEST REGION 5-STATE** and **SBC-2STATE** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.

- 1.11 **SBC-13STATE** - As used herein, **SBC-13STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC MIDWEST REGION 5-STATE**, **SBC-2STATE** and **SBC SNET** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.12 **SBC ARKANSAS** - As used herein, **SBC ARKANSAS** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, the applicable SBC-owned ILEC doing business in Arkansas.
- 1.13 **SBC CALIFORNIA** - As used herein, **SBC CALIFORNIA** means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC-owned ILEC doing business in California.
- 1.14 **SBC KANSAS** - As used herein, **SBC KANSAS** means Southwestern Bell Telephone, L.P. d/b/a SBC Kansas, the applicable SBC-owned ILEC doing business in Kansas.
- 1.15 **SBC ILLINOIS** - As used herein, **SBC ILLINOIS** means Illinois Bell Telephone Company d/b/a SBC Illinois, the applicable SBC-owned ILEC doing business in Illinois.
- 1.16 **SBC INDIANA** - As used herein, **SBC INDIANA** means Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, the applicable SBC-owned ILEC doing business in Indiana.
- 1.17 **SBC MICHIGAN** - As used herein, **SBC MICHIGAN** means Michigan Bell Telephone Company d/b/a SBC Michigan, the applicable SBC-owned doing business in Michigan.
- 1.18 **SBC MIDWEST REGION 5-STATE** - As used herein, **SBC MIDWEST REGION 5-STATE** means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.19 **SBC MISSOURI** - As used herein, **SBC MISSOURI** means Southwestern Bell Telephone, L.P. d/b/a SBC Missouri, the applicable SBC-owned ILEC doing business in Missouri.
- 1.20 **SBC NEVADA** - As used herein, **SBC NEVADA** means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC-owned ILEC doing business in Nevada.
- 1.21 **SBC OHIO** - As used herein, **SBC OHIO** means The Ohio Bell Telephone Company d/b/a SBC Ohio, the applicable SBC-owned ILEC doing business in Ohio.
- 1.22 **SBC OKLAHOMA** - As used herein, **SBC OKLAHOMA** means Southwestern Bell Telephone, L.P. d/b/a SBC Oklahoma, the applicable SBC-owned ILEC doing business in Oklahoma.
- 1.23 **SBC SNET** - As used herein, **SBC SNET** means The Southern New England Telephone Company, the applicable above listed ILEC doing business in Connecticut.
- 1.24 **SBC SOUTHWEST REGION 5-STATE** - As used herein, **SBC SOUTHWEST REGION 5-STATE** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.
- 1.25 **SBC TEXAS** - As used herein, **SBC TEXAS** means Southwestern Bell Telephone, L.P. d/b/a SBC Texas, the applicable SBC-owned ILEC doing business in Texas.
- 1.26 **SBC WISCONSIN** - As used herein, **SBC WISCONSIN** means Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC doing business in Wisconsin.

2. DEFINITIONS

- 2.1 **“Bellcore Client Company Calling Card and Third Number Settlement System” (BCC CATS)** – Nationwide system used to produce information reports that are used in the settlement of Local Exchange Carrier (LEC) revenues originated by one BCC (or within the territory of that BCC) and billed to a customer

- of another BCC (or Local Exchange Carrier within the territory of that BCC) as described in accordance with the Telcordia Practice BR 981-200-110. The CATS Report cycle is the 26th of the current month through the 25th of the following month.
- 2.2 **“Centralized Message Distribution System” (CMDS)** – means the industry-wide data collection system located in Kansas City, Missouri which handles the daily exchange of toll message details between LECs that are Direct Participants of the systems.
- 2.3 **“Direct Participants” (DP)** -- the 24 pre-divestiture Bell Operating Companies that interface directly with CMDS. Following is a list of the Direct Participants:
- 2.3.1 New England Telephone Company
 - 2.3.2 New York Telephone Company
 - 2.3.3 Bell Atlantic, NJ
 - 2.3.4 Bell Atlantic, PA
 - 2.3.5 Bell Atlantic, DE
 - 2.3.6 Bell Atlantic, DC
 - 2.3.7 Bell Atlantic MD
 - 2.3.8 Bell Atlantic VA
 - 2.3.9 Bell Atlantic WV
 - 2.3.10 Southern Bell Telephone Company
 - 2.3.11 South Central Bell Telephone Company
 - 2.3.12 The Ohio bell Telephone Company d/b/a SBC Ohio
 - 2.3.13 Michigan Bell Telephone Company d/b/a SBC Michigan
 - 2.3.14 Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana
 - 2.3.15 Illinois Bell Telephone Company d/b/a SBC Illinois
 - 2.3.16 Wisconsin Bell Telephone Company d/b/a SBC Wisconsin
 - 2.3.17 Northwestern Bell Telephone Company
 - 2.3.18 Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas
 - 2.3.19 Mountain Bell Telephone Company
 - 2.3.20 Pacific Bell Telephone Company d/b/a SBC California
 - 2.3.21 Nevada Bell Telephone Company d/b/a SBC Nevada
 - 2.3.22 The Southern New England Telephone Company
 - 2.3.23 Cincinnati Bell Telephone Company
- 2.4 **“Exchange Message Interface” (EMI)** -the format used for the exchange of telecommunications message information. EMI format is contained in the Alliance for Telecommunications Industry Solutions (ATIS) document that defines industry guidelines for exchange message records.
- 2.5 **“Full Status Revenue Accounting Office” (RAO)** – CLEC that is provided a separate RAO code. Responsible for formatting EMI records, editing and packing of such detail records into files for distribution.
- 2.6 **“In Region Hosting” (SBC SOUTHWEST REGION 5-STATE only)** - The transport of 1) LEC transported data that originates in the region and are delivered by the CLEC to the Hosting Company to be sent another Local Exchange Carrier for billing; and 2) data received from CMDS or another LEC to be delivered to the CLEC for billing to its End User located within the five state territory of the Host Company.
- 2.7 **“Intercompany Settlements” (ICS)** - a revenue exchange process for messages that originate (earning company) by one Direct Participant (or LEC within the territory of that Direct Participant) and billed to a customer of another Direct Participant (or LEC within the territory of the other Direct participant). ICS consists of third number billed and calling card revenues.
- 2.8 **“Local Exchange Carriers” (LECs) or “Exchange Carriers” (ECs)** - facilities-based providers of local telecommunication services.

- 2.9 **"Message Distribution" (Transmission)** is a collection of data designated to be delivered to the CLEC. Message distribution includes collection of data from the CLEC designated to be delivered to other LECs.
- 2.10 **"Non-Intercompany Settlement (NICS)" (SBC MIDWEST REGION 5-STATE only)** is a revenue exchange process for messages which originate from CLEC and bill to **SBC MIDWEST REGION 5-STATE** and message which originate from **SBC MIDWEST REGION 5-STATE** and bill to CLEC. NICS messages must originate and bill within the same **SBC MIDWEST REGION 5-STATE** Company.
- 2.11 **"Non-Full Status Revenue Accounting Office" (RAO)** - Contracting Company that has assigned responsibility to the Hosting Company for editing, sorting and placing billing message record detail and/or access usage record detail into packs for distribution.

3. RESPONSIBILITIES OF THE PARTIES

- 3.1 All data forwarded from the CLEC must be in the industry standard format in accordance with the ATIS EMI document. The CLEC is responsible to ensure all appropriate settlement plan indicators are included in the message detail, i.e., the Bellcore Client Company Calling Card and Third Number Settlement (BCC CATS) System. The CLEC acknowledges that the only message records subject to this Hosting Agreement are those that arise from Local Exchange Carrier transported data.
- 3.2 **(SBC-7STATE)** - When CLEC delivers messages to the Hosting Company which must be forwarded to another location for billing purposes, the Hosting Company will accept data from the CLEC, perform edits required to ensure the records are consistent with CMDS specifications, and use its in region data network to forward this data to the appropriate billing company or to access the national CMDS network in order to deliver this data to the appropriate billing and/or processing company.
- 3.3 If CLEC is non- Full Status RAO Company, the Hosting Company will also sort billable message detail and access usage record detail by Revenue Accounting Office, Operating Company Number or Service Bureau and split data into packs for invoicing prior to using its in region network to forward this data to the appropriate billing company or to access the national CMDS network in order to deliver such data to the appropriate billing company.
- 3.4 **(SBC-7STATE only)** For billable message data and/or access usage data received by the Hosting Company for delivery to a CLEC location, the Hosting Company will use its in region data network to receive this data from other Local Exchange Carriers or from CMDS in order to deliver such billable message data and/or access usage data to the agreed upon billing Contract Company location.

4. DESCRIPTION OF BILLING SERVICES

- 4.1 **(SBC MIDWEST REGION 5-STATE) Monthly Billing**
 - 4.1.1 Each month, **SBC MIDWEST REGION 5-STATE** shall calculate the total amount due. This calculation will include:
 - 4.1.1.1 Transmission fee
 - 4.1.1.2 ICS settlement processing fee
 - 4.1.1.3 ICS revenue, originated by Ameritech and ICS revenue originated by CLEC
 - 4.1.1.4 NICS revenue, originated by Carrier and NICS revenue originated by Ameritech
 - 4.1.2 CATS and NICS reports include a payment by the originating company to the billing company for compensation of Billing and Collecting (B&C).
 - 4.1.3 **SBC MIDWEST REGION 5-STATE** shall provide collection and distribution of messages that are designated to be delivered to the CLEC.
 - 4.1.4 **SBC MIDWEST REGION 5-STATE** shall provide collection and distribution of messages that originate with the CLEC and are designated to be delivered to other LECs.

- 4.1.5 CLEC must provide **SBC MIDWEST REGION 5-STATE** a Non-Hosted Nationwide Revenue Accounting Office (RAO) code which has been assigned by Telcordia Technologies (previously Bellcore). **SBC MIDWEST REGION 5-STATE** advise Telcordia Technologies to convert the RAO code.
- 4.1.6 CLEC subscribing to Hosting services with **SBC MIDWEST REGION 5-STATE** prior to the effective date of this agreement and sharing an **SBC MIDWEST REGION 5-STATE** RAO may continue this service using **SBC MIDWEST REGION 5-STATE** RAO. One exception is when the CLEC is providing Hosting service using **SBC MIDWEST REGION 5-STATE** as an intermediary. In this situation, a Full Status RAO is required.
- 4.1.7 If access records are received from the CMDS system, **SBC MIDWEST REGION 5-STATE** shall collect these records and distribute to the CLEC. Such records may be either detail or summary access records.
- 4.1.8 All data will be forwarded on a daily basis to the CLEC or their designated billing agent. Both **SBC MIDWEST REGION 5-STATE** and CLEC shall send/receive data in EMI format. **SBC MIDWEST REGION 5-STATE** and CLEC shall be responsible for packing the data and shall be subject to Telcordia Technologies CMDS packing and editing requirements.
- 4.1.9 CLEC may return to **SBC MIDWEST REGION 5-STATE** any messages which are unbillable provided that such returns are made within ninety (90) days of message date. All such returned unbillable messages shall be accepted by **SBC MIDWEST REGION 5-STATE** and the charges therefore deducted for reimbursement amount owing to **SBC MIDWEST REGION 5-STATE**. CLEC shall be responsible for packing such unbillable messages subject to Telcordia Technologies CMDS packing and editing requirements.
- 4.2 **(SBC MIDWEST REGION 5-STATE)** INTERCOMPANY SETTLEMENT (ICS)
 - 4.2.1 **SBC MIDWEST REGION 5-STATE** will provide Intercompany Settlement (ICS) for alternately billed (third number billed and calling card) messages. Using the following criteria:
 - 4.2.1.1 The call must be transported by a LEC.
 - 4.2.1.2 The message must be billed in a DP's territory different from the DP's territory where the call originated.
 - 4.2.1.3 ICS does not extend to the 900 or 976 calls or to other pay per call services.
 - 4.2.1.4 The Telcordia Technologies CATS report is the source for revenue to be settled between **SBC MIDWEST REGION 5-STATE** and CLEC. ICS settlement will be incorporated into the CLEC's monthly invoice.
- 4.3 **(SBC MIDWEST REGION 5-STATE)** NON-INTERCOMPANY SETTLEMENT (NICS)
 - 4.3.1 Non-Intercompany Settlement (NICS) shall apply only to alternately billed messages (calling card, third number billed and collect calls) originated by **SBC MIDWEST REGION 5-STATE** and billed by the CLEC, or messages originated by the CLEC and billed by **SBC MIDWEST REGION 5-STATE** within the same **SBC MIDWEST REGION 5-STATE** State. For example, an alternately billed call originating within **SBC ILLINOIS** territory and billed to a CLEC within **SBC ILLINOIS** would be covered by this section; a call originating within **SBC MICHIGAN** but billing outside of **SBC MICHIGAN** would not be NICS.
 - 4.3.2 NICS does not extend to 900 or 976 calls or to other pay per call services.
 - 4.3.3 The Telcordia Technologies NICS report is the source for revenue to be settled between **SBC MIDWEST REGION 5-STATE** and CLEC. NICS settlement will be incorporated into the CLEC's monthly invoice.
 - 4.3.4 CLECs subscribing to Hosting services with **SBC MIDWEST REGION 5-STATE** prior to the effective date of this agreement and sharing an **SBC MIDWEST REGION 5-STATE** RAO, may continue this

service using **SBC MIDWEST REGION 5-STATE**'s RAO. One exception is when the CLEC is providing Hosting service using **SBC MIDWEST REGION 5-STATE** as an intermediary. In this situation, a Full Status RAO is required.

- 4.3.5 For calls originating and billing within a non- **SBC MIDWEST REGION 5-STATE** state, CLEC should obtain NICS agreements with the LECs in that state.

5. BASIS OF COMPENSATION

- 5.1 In **SBC SOUTHWEST REGION 5-STATE**, CLEC agrees to pay Hosting Company a per record charge for billable message records an/or access usage records that are received from the CLEC and destined for delivery to another location for billing, at the rates listed in Appendix Pricing.
- 5.1.1 As part of this per record charge, the Hosting Company will provide Confirmation and /or Error Reports and any Intercompany Settlement (ICS) Reports, such as the Bellcore Client Company Calling Card and Third Number Settlement System (BCC CATS).
- 5.1.2 CLEC also agrees to pay Hosting Company a per record charge for billable message records an/or access usage records in those situations where the Hosting Company, performing a transfer service, provides this message data received from other Local Exchange Carriers or from CMDS on a magnetic tape or data file for delivery to the CLEC.
- 5.2 (**SBC MIDWEST REGION 5-STATE** only)- CLEC shall pay a one-time set-up charge, half (½) due at contract signing and half (½) due with first billing and for services as set forth in Appendix Pricing.
- 5.3 (**SBC MIDWEST REGION 5-STATE** only) CLEC shall be issued a monthly invoice that may be amended by Hosting Company from time to time at its sole discretion. Monthly charges shall be billed as set forth in Appendix Pricing. Payments shall be due within thirty (30) days of the date of the invoice. A late payment charge of one and one half percent (1 1/2%) per month, or the highest amount allowed by law, whichever is greater, shall apply to past due amounts.

6. TERM OF AGREEMENT

- 6.1 Unless sooner terminated as herein provided, this Agreement will continue in force for a period of one (1) year from the effective date hereof and thereafter until terminated by sixty (60) days prior notice in writing form either party to the other.

7. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 7.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions, interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement.

Exhibit A
Change Request by Carrier
SBC MIDWEST REGION 5-STATE

1. For purposes of this Exhibit, Interfacing Company shall mean Ameritech.
2. When CLEC requests modifications to existing Interfacing Company systems or procedures, CLEC will provide complete written specifications for the requested change. The time and cost request should be directed to the CLEC's Account Manager.
3. Change Requests:
 - Both parties must agree that the specification accurately describes the work to be performed. CLEC will authorize the specifications in writing.
 - The authorized specifications will be distributed within the Interfacing Company to develop an estimate of the work effort involved to implement the change.
 - CLEC will have up to sixty (60) workdays from receipt of the time and cost to authorize implementation. If implementation is to proceed, CLEC will provide written authorization to the Interfacing Company.
 - Any changes to the approved specifications will be subject to re-evaluation by the Interfacing Company and CLEC.
4. General:
 - Interfacing Company will notify CLEC if it fails to implement a change on the agreed effective date. This notification will take place as soon as the Interfacing Company is aware of the problem.
 - CLEC will compensate Interfacing Company for changes only to the extent such changes have been authorized by Carrier in writing.
 - For cancelled requests, CLEC will compensate Interfacing Company for expense incurred up to the point of cancellation.
5. System Embargo:
 - Interfacing Company will notify CLEC in advance when Interfacing Company will be involved in a major project resulting in a billing system embargo for a period of time. Such embargo will not affect any existing request pending before Interfacing Company for which written authorization has been received. Change requests received during an embargo will be handled on an individual case basis.